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- (1) Premier Wen's Japan visit accompanied by executives of 50 energy-related companies: China rushing to absorb technology; Consideration given to wariness felt by Japan

TOKYO SHIMBUN (Page 9) (Full)
April 13, 2007

Executives of some 50 Chinese energy-related companies are

accompanying Premier Wen Jiabao on his visit to Japan. They aim is to strengthen relations with Japanese companies, which have advanced energy-conserving and environmental protection technologies, since an energy shortage and environmental destruction have become serious issues in their country.

The Chinese economy has grown for four consecutive years at the annual rate of more than 10% in GDP terms. However, its active diplomacy toward African countries to secure energy resources is now being criticized by European countries, the US and African countries as being a new colonialism. It is said that Japan's energy usage is ten times more efficient than that of China. There are data indicating that 10% of farmland in China is polluted.

An executive of a certain Chinese company, now visiting Japan, explained, "It is urgent that China introduces Japan's experience and technology for clean energy and recyclable energy." However, given the fact that fake brand-name products and copied products are rampant in that nation, there is the possibility of its absorbing Japan's state-of-the-art technology offered in the name of cooperation.

Wen in recent speeches and press conferences has repeatedly cited energy conservation, environmental protection, high-tech, financial services and information and technology (IT) as key areas for economic cooperation from Japan. He added intellectual property rights in a speech delivered in the Diet yesterday. It appears that he gave consideration to Japanese companies, which are afraid of the outflow of their technology.

Business circles hoping for expanded business opportunities

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A number of Japanese business leaders voiced their hopes for expanded business opportunities on China's huge market, as talks to strengthen ties with China, which is expected to continue to grow, have gotten underway.

During the Koizumi administration, Japanese companies experienced anti-Japanese demonstrations in China. Their greatest matter of concern now is the strengthening of political relations between the two countries. Shigemitsu Miki, chairman of Bank of Tokyo-Mitsubishi UFJ, stressed, "We hope that political relations with China will improve and deepen." Osamu Watanabe, advisor to JETRO, also pointed out, "Japanese and Chinese companies have been unable to carry out business activities, if their governments were involved." He thinks the scope of corporate activities will widen. Business leaders highly praised Wen for his frank recognition of challenges facing the Chinese economy even by changing the prepared speech at luncheon hosted by business circles. Fujio Cho, chairman of Toyota Motors and the Japan-China Economic Association, called for efforts by the Japanese side as well, noting, "It would be necessary for Japan and China to jointly tackle challenges."

Japan's economic recovery is largely attributable to increased exports to China. Speaking of the economies of the two countries, whose relations are increasingly becoming tied with each other, Akio Mimura, chairman of Nippon Steel Corporation, said, "Japan and China are neighbors. There will be absolutely no option for the two countries to cut off relations even if a border issue should occur."

(2) Japan-China summit highlights economic cooperation; Technology transfer included in joint statement with post-Kyoto Protocol framework in mind

NIHON KEIZAI (Page 3) (Abridged)
April 12, 2007

Japan and China agreed yesterday to boost a wide range of economic cooperation in tandem with the summit meeting between Prime Minister Shinzo Abe and Premier Wen Jiabao. Bilateral cooperation is focused on the environment. Japan has come up with a plan to provide China with energy-saving technologies with an eye on growing international interest in global warming. But question marks are hanging over its

effectiveness and other matters agreed upon by Abe and Wen. The future of the two countries' efforts for building "mutually beneficial strategic ties" remains unclear.

The joint statement on the environment reads, "The development of cooperation in environmental protection serves the interests of the two countries and help them build mutually beneficial strategic ties between Japan and China." Japan promised to cooperate in preventing pollution in China, with the joint statement noting, "The two countries shall actively take part in the process of building an effective framework in 2013 and beyond (when the Kyoto Protocol specifying the greenhouse gas reduction targets expires)."

Abe and Wen also signed a joint statement on energy. This will enable the two countries to promote cooperation in the industrial sector and jointly conduct research on policy frameworks for taxation and technical development. Agreements also included plans to build nuclear power plants and stockpile oil against emergencies.

China is suffering from serious environmental pollution due to

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growing automobiles, construction for the 2008 Beijing Olympic Games, and other factors. China is the world's second largest emitter of carbon dioxide -- a cause of global warming -- after the United States. Some analysts projected that China will overtake the United States by 2010.

China has set a target to reduce energy consumption per unit of GDP by 20% during the 2006-2010 period. But in 2006, the country's consumption dropped merely 1.2%. Having technical guidance from Japan, an advanced energy-saving country, is essential for improving energy efficiency and reducing the burden on the environment.

Environmental problems in China are a matter of great concern to Japan, as well. Aware of intensifying international efforts, as seen in the EU's independent greenhouse gas reduction targets, with the post-Kyoto Protocol era in mind, Japan intends to take the initiative in the environment sector by winning China over to its side.

Pursuing both economic development and environment protection will not be easy for China. Wen expressed unwillingness to mention numerical targets, saying: "Although China supports the Kyoto Protocol, we are still a developing country."

Transferring technologies from Japan to China involves the risk of a technical outflow into a third country. The leaders of the two countries have signed a memorandum of understanding to establish a governmental committee to reduce such risk in the fields of energy conservation and the environment.

(3) Japan-China joint statement on environment on cooperation for effective framework for measures to prevent global warming

ASAHI (Page 10) (Full)
April 12, 2007

(Commentary) The Japan-China joint statement signed on April 11 showcased participation in efforts to create an effective framework for international measures to prevent global warming, following the expiration of the Kyoto Protocol expires in 2012. It can be said that this is the outcome the Japanese government working on the Chinese government. China has thus far had an aversion to discussing a post-Kyoto framework, fearing that it could lead to its becoming obliged to cut greenhouse gas emissions on a par with industrialized countries. However, China has not clearly pledged to cut emissions in the future. There is not yet a prospect for establishment of a new framework for cutting greenhouse gas emissions involving China.

Chinese Premier Wen made an in-depth statement on the environment issue, an indication of the reality that the international community is casting a harsh eye on China for its adamantly refusing mandatory greenhouse gas emission cuts. China, whose carbon dioxide emissions account for 20% of the total emission amount in the world, is

expected to become the world's largest greenhouse effect gas emitter. Though it insists that it has actively pursued energy-conserving efforts, based on its own action program, it has now become necessary for it to indicate a positive stance amid the international community increasingly alarmed about global warming.

One senior government official said, "There has been an indication that China wanted to show its change of mind to the international community. The summit meeting this time might have provided it with a good opportunity."

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With an eye on the G-8 Summit to be held in Germany in June and one to be held in Japan next year, Prime Minister Abe announced, "Japan will lead the international community in global warming prevention talks." Regarding the creation of the new framework, he has repeatedly insisted that participation of major carbon dioxide emitters, such as China and the US, would be indispensable. The agreement this time has been reached with Japan and China motivated by the same desire to appeal their stance to international community.

(4) Did Japan, China melt the ice? Both sides looking for ways to return to "normal temperature" but frozen soil found in issues affected by emotions

NIHON KEIZAI (Page 1) (Full)
April 13, 2007

Ken Sato

A spring breeze has begun caressing Japan-China relations, particularly their economic ties. The harsh winter, which was brought about by former Prime Minister Junichiro Koizumi for his continued visits to Yasukuni Shrine, has gone with Prime Minister Shinzo Abe's trip to China last November. Japanese companies operating in China have now felt their concerns being removed. Visiting Chinese Premier Wen Jiabao calls his visit to Japan this time an "ice-melting trip." But, frozen soil like emotion-affected history issues remains deep from the surface.

Japanese companies now with a following wind

"The Chinese market is attractive in view of its big potential and its huge labor. When it comes to business potential, we have projects for the grand development of the western region and the development of three northeast provinces," Wen said at a welcoming luncheon hosted by five economic organizations, such as the Japan Business Federation (Nippon Keidanren), prompting Japanese business leaders to set up their factories in China.

Japan's technology is an indispensable element for China in pushing for economic reform centering on quality improvement. Presumably for this reason, China has now turned around to improve ties with Japan and contained the media's "Japan-bashing" reports that could set off anti-Japanese demonstrations like two years ago. The state-run China Central Television (CCTV) aired special programs introducing the Japanese society in an objective manner since March to boost the friendship with Japan.

A favorable wind blows for Japanese companies seeking workers. "We had as many as 12,000 applicants for the 40 or so position vacancies for (Chinese)," an officer at Mizuho Corporate Bank's Shanghai office screamed with delight. The number of applicants increased six times higher than last year.

Japan and China since their diplomatic normalization in 1972 had attached importance to friendship, in spite of the Tiananmen Square Incident in 1989. This trend was changed by then President Jiang Zemin's visit to Japan in 1998 focusing on history, which afterwards gave rise to an emotional conflict and put bilateral ties in a stalemate. Premier Zhu Rongji's visit to Japan in 2000 was viewed as something to mend the fences, but with Koizumi coming into office as prime minister, the relations between the two countries were

fatefully aggravated. Wen's visit to Japan this time has achieved certain results, but a Chinese Foreign Ministry official made this analysis: "The relationship has simply returned to where it was in 2000."

Both sides, taking into account Prime Minister Abe's trip to China slated for this fall, are carefully analyzing what attitude the other side will assume after that. Beijing is highly alarmed by the possibility that Abe may visit Yasukuni Shrine in the fall or beyond, while Tokyo suspects that China may intend to use its President Hu Jintao's visit to Japan as a diplomatic tool to bind Abe's behavior.

The sources of trouble remain between the two countries. The Marco Polo Bridge Incident will mark the 70th anniversary in July, and the Nanjing Incident will do so in December. In view of the history issues, the Chinese public is even now critical of Japan.

The Chinese "bullet" train was put in operation between Shanghai and Nanjing in this past January. The train is based on Japan's Tohokushinkansen "Hayate," but Chinese media emphasized that the train was "made in China." Most Chinese do not realize that the technology related to the bullet train came from Japan.

Beyond bilateral disputes

Japan's trade with China continues to grow remarkably, reaching 24 trillion yen in 2006. Meanwhile, there is a big gap in perception between the peoples of the two countries.

The Japanese government's yen-loan programs under the official development assistance (ODA) scheme will come to an end in 2008. "China-Japan relations have to shift from the currently wet 'North-South' relations to a pragmatically 'ordinary relationship,'" one Chinese Communist Party member said. In view of politics and economics, the two countries appear to be being tested whether to maintain "normal temperature" by growing out of the drastically fluctuating previous relationship portrayed as "the cold political relationship with convivial economic exchanges" or "the close political ties with cool economic exchanges."

Japan and China, two big powers in Asia, are obligated to work together to keep the region stable, departing from the power struggle in Asia. There are so many issues for them to handle, for instance, how to stabilize the Korean Peninsula and the Asian economic zone through free trade. Japan and China have just set in motion their strategic, reciprocal relationship, but this relationship also needs to have a broad strategy without simply focusing on bilateral benefits.

(5) Collective enshrinement of Class-A criminals and disclosed Yasukuni Shrine internal documents; Documents produced around 1978 not made public

MAINICHI (Page 7) (Abridged)
April 13, 2007

By Takenori Noguchi, Political News Department

The National Diet Library (NDL) released in late March a book titled "A New Compilation of Materials on the Yasukuni Shrine Problems" for the first time in three decades. The 1,200-page book includes the shrine's 179 pieces of internal documents that have never been made

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public.

The government's involvement in the enshrinement of war criminals at Yasukuni has long been known.

It has become clear through documents in the book that ex-military officers with the former Health and Welfare Ministry's Social Welfare and War Victims' Relief Bureau and others had pressed

Yasukuni for collective enshrinement. This testified to the government's active involvement in the process.

Interesting enough, 94 pieces of items from the former Health and Welfare Ministry suggest that the government remained weak-kneed after sending to Yasukuni a list of Class-A war criminals to be enshrined there.

For instance, the Social Welfare and War Victims' Relief Bureau Research Division chief sent on November 4, 1970 a notice titled "Yasukuni Shrine Collective Enshrinement Administrative Cooperation" to the prefectural governments. It said that the ministry would revise some expressions in its earlier notices regarding the enshrinement so as not to mislead the public that the ministry was directly responsible for collective enshrinement administrative work. This has served the foundation for the government's current view that it was the shrine that conducted the collective enshrinement and that the former Health and Welfare Ministry simply provided information (on the war dead) in compliance with a request from the shrine.

In the previous year, the Liberal Democratic Party presented Yasukuni Shrine state protection legislation (scrapped in 1974), raising questions about the principle of separation of politics and religion. The post of War Victims' Relief Bureau deputy director general, which had been occupied by former military officers, was abolished five months before the notice was issued. The ministry's long "prewar period" ended in 1970. With changes in the political climate and the departure of former military officers from the ministry, former Health and Welfare Ministry bureaucrats tried to water down the ministry's image associated with the collective enshrinement.

According to shrine documents, the government started talks on collective enshrinement with Yasukuni in 1956. Some documents made public indicate that their talks continued until 1970. The list of Class-A war criminals to be enshrined at Yasukuni was sent to the shrine in 1966. (On July 25, 1970), the shrine and the government reached an agreement to "hold their decision in consideration of the circumstances." This means that the government did not decide on the collective enshrinement and that the government was beginning to back off from the plan. In other words, it was the shrine that decided on the enshrinement and carried that out.

Despite that, no documents have been made public on what took place around 1978, the year Class-A war criminals were honored at Yasukuni. What prompted the government to agree to the collective enshrinement? The NDL book does not provide detailed information on the enshrinement of Class-A war criminals at Yasukuni.

The NDL book is centered on a set of collective enshrinement qualifications guidelines for the regular war dead. Although the shrine is certain to possess documents on war criminals, the shrine replied that they had searched in vain for them, according to the NDL. Researchers are unconvinced with the shrine's explanation on

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the documents that are invaluable.

The shrine showed the documents that made the book to the NDL for the first time in late last year. It was six months after the discovery in July of former Imperial Household Agency Grand Steward Tomihiko Tomita's memo noting that Emperor Showa (Hirohito) had expressed displeasure with the enshrinement of Class-A war criminals at Yasukuni. "The documents clearly indicate that Yasukuni did not take the step on its own," a shrine executive said. Yasukuni might have released only those documents that would back up its traditional assertion that the government had played a central role in deciding to enshrine Class-A war criminals there and that the shrine simply followed the government's administrative procedures.

If that was the case, the NDL book is ironical. The book is composed of documents that can be taken that Yasukuni Shrine and the former Health and Welfare Ministry are trying to force the responsibility for the collective enshrinement onto one another.

Yasukuni Shrine, which has become a religious organization in the postwar period, was not able to carry out administrative work for the collective enshrinement without the government's assistance. The principle of separation of politics and religion was not strict when the Constitution took effect in 1947. Yasukuni disclosed only those documents that were produced before 1947. Class-A war criminals were enshrined at Yasukuni later. The shrine is urged to make public documents detailing why and how Class-A war criminals have been enshrined there.

DONOVAN